



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center  
Financial Management Services  
Division of Cost Allocation

26 Federal Plaza, Room 41-122  
New York, New York 10278  
Phone: (212) 264-2069  
Fax: (212) 264-5478  
Email: deany@psc.gov

April 8, 2014

Ms. Sharon Bell  
University Controller  
University of Rhode Island  
110 Carlotti Administration Bldg.  
75 Lower College Rd., Suite 10  
Kingston, RI 02881-0806

Dear Ms. Bell:

The original and one copy of a negotiation agreement are enclosed. This agreement reflects an understanding reached between your institution and a member of my staff concerning the rates or amounts that may be used to support your claim for costs on grants and contracts with the Federal Government. The original must be signed by a duly authorized representative of your institution and returned to me; retain the copy for your file. We will reproduce and distribute the agreement to awarding agencies of the Federal Government for their use.

Requirements for adjustments to costs claimed under Federal Grants and Contracts resulting from this negotiation are dependent upon the type of rate contained in the negotiation agreement. Information relating to these requirements is enclosed.

Attached are 8 documents entitled "Components of Published Facilities and Administrative Cost Rates(s)." There is one document issued for each predetermined facilities and administrative cost rate published on the rate agreement. These documents should be signed and returned to this office along with the signed original copy of the rate agreement.

A proposal encompassing all activities of your institution together with the required supporting information must be submitted to my office at the address on page 2 for each fiscal year your institution claims costs under grants and contracts awarded by the Federal Government. This proposal is due within six months after the close of your fiscal year. Therefore, a proposal for fiscal year ending June 30, 2016 will be due in my office not later than December 31, 2016.

The proposal will be used to establish rates/amounts for the fiscal year subsequent to the last period covered by an approved final, fixed, or predetermined rate(s). Failure to submit a timely proposal will be interpreted as a forfeiture of reimbursement for indirect costs. Therefore, unless a proposal is received by December 31, 2016, future awards made by the Department of Health and Human Services will be for direct costs only and will not provide for the recovery of costs contained in this agreement. In addition, the costs claimed against awards already made may be subject to disallowances.

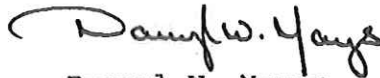
If you are unable to submit your proposal by the prescribed date, you may request an extension. This request must be submitted prior to the due date of the proposal and must contain a justification for the extension and the date the proposal will be submitted.

Your proposal and relevant correspondence should be addressed to:

Department of Health and Human Services  
Division of Cost Allocation  
26 Federal Plaza, Room 41-122  
New York, New York 10278  
(212) 264-1823

In addition, please acknowledge your concurrence with the comments and conditions cited above by signing this letter in the space provided below and return it to me together with the original of the enclosed negotiation agreement to the above address.

Sincerely,



Darryl W. Mayes  
Deputy Director  
Division of Cost Allocation

Enclosures

Concurrence:

Sharon B Bell  
Name Sharon B. Bell Controller  
Title 4/14/14  
Date

**COLLEGES AND UNIVERSITIES RATE AGREEMENT**

EIN: 05-60000522

DATE: 04/08/2014

**ORGANIZATION:**

University of Rhode Island  
 110 Carlotti Administration Bldg.  
 75 Lower College Rd., Suite 10  
 Kingston, RI 02881

FILING REF.: The preceding  
 agreement was dated  
 08/19/2010

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

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**SECTION I: Facilities And Administrative Cost Rates**

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RATE TYPES:      FIXED                  FINAL                  PROV. (PROVISIONAL)      PRED. (PREDETERMINED)

EFFECTIVE PERIOD

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	07/01/2013	06/30/2017	53.50	On-Campus	Research
PRED.	07/01/2013	06/30/2017	26.00	Off-Campus	Research
PRED.	07/01/2013	06/30/2017	55.00	On-Campus	Instruction
PRED.	07/01/2013	06/30/2017	26.00	Off-Campus	Instruction
PRED.	07/01/2013	06/30/2017	46.00	On-Campus	OSA
PRED.	07/01/2013	06/30/2017	26.00	Off-Campus	OSA
PRED.	07/01/2013	06/30/2017	50.00	On-Campus	Agr. Exp. Station
PRED.	07/01/2013	06/30/2017	26.00	Off-Campus	Agr. Exp. Station
PROV.	07/01/2017	Until Amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2017.

ORGANIZATION: University of Rhode Island

AGREEMENT DATE: 4/8/2014

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\*BASE

Modified total direct costs, consisting of all salaries and wages, fringe benefits, materials, supplies, services, travel and subgrants and subcontracts up to the first \$25,000 of each subgrant or subcontract (regardless of the period covered by the subgrant or subcontract). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, student tuition remission, rental costs of off-site facilities, scholarships, and fellowships as well as the portion of each subgrant and subcontract in excess of \$25,000.

ORGANIZATION: University of Rhode Island

AGREEMENT DATE: 4/8/2014

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SECTION II: SPECIAL REMARKS

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TREATMENT OF FRINGE BENEFITS:

The fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits are listed below.

TREATMENT OF PAID ABSENCES

Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims are not made for the cost of these paid absences.

1. The rates in this Agreement have been negotiated to reflect the administrative cap provisions to OMB Circular A-21 published by the Office of Management and Budget on May 8, 1996. No rate affecting the institution's fiscal periods beginning on or after October 1, 1991 contains total administrative cost components in excess of that 26 percent cap.
2. For all activities performed in facilities not owned by the institution and to which rent is directly allocated to the project(s), the off-campus rate will apply. Actual costs will be apportioned between on-campus and off-campus components. Each portion will bear the appropriate rate.
3. Fringe Benefits: The fringe benefits specifically identified to individuals include, FICA and Medicare Taxes, Pension Costs, Health, Dental and Vision Insurance, Group Life Insurance, Tuition Assistance, Workers' Compensation, Unemployment, and Employee Assistance Program.
4. Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year, and an acquisition cost of \$5,000 or more per unit.

ORGANIZATION: University of Rhode Island

AGREEMENT DATE: 4/8/2014

**SECTION III: GENERAL**

**A. LIMITATIONS:**

The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its facilities and administrative cost pools as finally accepted; such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) The same costs that have been treated as facilities and administrative costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.

**B. ACCOUNTING CHANGES:**

This Agreement is based on the accounting system purported by the organization to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the cognizant agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from facilities and administrative to direct. Failure to obtain approval may result in cost disallowances.

**C. FIXED RATES:**

If a fixed rate is in this Agreement, it is based on an estimate of the costs for the period covered by the rate. When the actual costs for this period are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.

**D. USE BY OTHER FEDERAL AGENCIES:**

The rates in this Agreement were approved in accordance with the authority in Office of Management and Budget Circular A-21, and should be applied to grants, contracts and other agreements covered by this Circular, subject to any limitations in A above. The organization may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

**E. OTHER:**

If any Federal contract, grant or other agreement is reimbursing facilities and administrative costs by a means other than the approved rate(s) in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate(s) to the appropriate base to identify the proper amount of facilities and administrative costs allocable to these programs.

BY THE INSTITUTION:

University of Rhode Island

(INSTITUTION)

(SIGNATURE)

(NAME)

(TITLE)

(DATE)

Sharon B. Bell  
Sharon B. Bell  
Controller  
4/14/14

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

(SIGNATURE)

(NAME)

Deputy Director, Division of Cost Allocation

(TITLE)

4/8/2014

(DATE) 0947

Darryl W. Mayes  
Darryl W. Mayes  
Deputy Director, Division of Cost Allocation  
4/8/2014

HHS REPRESENTATIVE:

Telephone:

Louis Martillotti

(212) 264-2069

Components of Published Facilities & Administrative Cost Rate

Institution : University of Rhode Island

FY Covered by Rate: 7/1/13-  
Rate type: Predetermined 06/30/17

<u>Rate Component</u>		
1. Depreciation - Bldgs & Improvements	3.0%	
2. Depreciation - Equipment	1.0%	
3. Operation & Maintenance	22.3%	
4. Interest	0.2%	
5. Library	1.0%	
6. General Administration	0.0%	*
7. Departmental Administration	26.0%	*
8. Sponsored Projects Administration	0.0%	*
9. Utility Cost Adjustment	<u>0.0%</u>	
<b>Published On-Campus Rate- Research</b>	<u><u>53.5%</u></u>	

\* Reflects provisions of revised OMB Circular A-21, Sections G.8 dated May 8, 1996.

Name Sharon B Bell

Title Controller

Date 4/14/14

Components of Published Facilities & Administrative Cost Rate

Institution : University of Rhode Island

FY Covered by Rate: 7/1/13-  
Rate type: Predetermined 08/30/17

Rate Component

1. Depreciation - Bldgs & Improvements	0.0%	
2. Depreciation - Equipment	0.0%	
3. Operation & Maintenance	0.0%	
4. Interest	0.0%	
5. Library	0.0%	
6. General Administration	0.0%	*
7. Departmental Administration	26.0%	*
8. Sponsored Projects Administration	0.0%	*
9. Utility Cost Adjustment	<u>0.0%</u>	
Published Off-Campus Rate - Research	<u>26.0%</u>	

\* Reflects provisions of revised OMB Circular A-21, Sections G.8a. and G.10, dated May 8, 1996.

Name Shawn B Bell

Title Controller

Date 4/14/14



Components of Published Facilities & Administrative Cost Rate

Institution : University of Rhode Island

FY Covered by Rate: 7/1/13-  
Rate type: Predetermined 06/30/17

Rate Component

1. Depreciation - Bldgs & Improvements	1.9%	
2. Depreciation - Equipment	0.4%	
3. Operation & Maintenance	16.7%	
4. Interest	0.0%	
5. Library	1.0%	
6. General Administration	0.0%	*
7. Departmental Administration	26.0%	*
8. Sponsored Projects Administration	0.0%	*
9. Student Services	<u>0.0%</u>	
Published On-Campus Rate - OSA	<u>46.0%</u>	

\* Reflects provisions of revised OMB Circular A-21, Sections G.8a. and G.10, dated May 8, 1996.

Name Shawn B. Bell

Title Controller

Date 4/14/14

Components of Published Facilities & Administrative Cost Rate

Institution : University of Rhode Island

FY Covered by Rate: 7/1/13-  
Rate type: Predetermined 08/30/17

Rate Component

1. Depreciation - Bldgs & Improvements	0.0%	
2. Depreciation - Equipment	0.0%	
3. Operation & Maintenance	0.0%	
4. Interest	0.0%	
5. Library	0.0%	
6. General Administration	0.0%	*
7. Departmental Administration	26.0%	*
8. Sponsored Projects Administration	0.0%	*
9. Student Services	<u>0.0%</u>	
Published Off-Campus Rate - OSA	<u>26.0%</u>	

\* Reflects provisions of revised OMB Circular A-21, Sections G.8a. and G.10, dated May 8, 1996.

Name Sham B. Bell

Title Controller

Date 4/14/14

Components of Published Facilities & Administrative Cost Rate

Institution : University of Rhode Island

FY Covered by Rate: 7/1/13-  
Rate type: Predetermined 06/30/17

Rate Component

1. Depreciation - Bldgs & Improvements	4.1%	
2. Depreciation - Equipment	0.4%	
3. Operation & Maintenance	15.0%	
4. Interest	0.1%	
5. Library	0.4%	
6. General Administration	0.0%	*
7. Departmental Administration	26.0%	*
8. Sponsored Projects Administration	0.0%	*
9. Student Services	<u>0.0%</u>	
Published On-Campus Rate- Instruction	<u>55.0%</u>	

\*Reflects provisions of revised OMB Circular A-21, Sections G.8a. and G.10, dated May 8, 1996.

Name Shawn B Bell

Title Controller

Date 4/14/14

Components of Published Facilities & Administrative Cost Rate

Institution : University of Rhode Island

FY Covered by Rate: 7/1/13-  
Rate type: Predetermined 06/30/17

Rate Component

1. Depreciation - Bldgs & Improvements	0.0%	
2. Depreciation - Equipment	0.0%	
3. Operation & Maintenance	0.0%	
4. Interest	0.0%	
5. Library	0.0%	
6. General Administration	0.0%	*
7. Departmental Administration	26.0%	*
8. Sponsored Projects Administration	0.0%	*
9. Student Services	<u>0.0%</u>	
Published Off-Campus Rate- Instruction	<u>26.0%</u>	

\* Reflects provisions of revised OMB Circular A-21, Sections G.8a. and G.10, dated May 8, 1996.

Name

*Shawn B Bell*

Title

*Controller*

Date

*7/14/14*

Components of Published Facilities & Administrative Cost Rate

Institution : University of Rhode Island

FY Covered by Rate: 7/1/13-  
Rate type: Predetermined 08/30/17

<u>Rate Component</u>		
1. Depreciation - Bldgs & Improvements	4.0%	
2. Depreciation - Equipment	0.4%	
3. Operation & Maintenance	18.2%	
4. Interest	0.0%	
5. Library	1.4%	
6. General Administration	26.0%	*
7. Departmental Administration	0.0%	*
8. Sponsored Projects Administration	0.0%	*
9. Student Services	<u>0.0%</u>	
Published On-Campus Rate-Agr Exp Station	<u>50.0%</u>	

\* Reflects provisions of revised OMB Circular A-21, Sections G.8a. as dated May 8, 1996.

Name Shawn B. Bell

Title Controller

Date 4/14/14

Components of Published Facilities & Administrative Cost Rate

Institution : University of Rhode Island

FY Covered by Rate: 7/1/13-  
Rate type: Predetermined 06/30/17

Rate Component

1. Depreciation - Bldgs & Improvements	0.0%	
2. Depreciation - Equipment	0.0%	
3. Operation & Maintenance	0.0%	
4. Interest	0.0%	
5. Library	0.0%	
6. General Administration	26.0%	*
7. Departmental Administration	0.0%	*
8. Sponsored Projects Administration	0.0%	*
9. Student Services	0.0%	
Published Off-Campus Rate-Agr Exp Station	<u>26.0%</u>	

\* Reflects provisions of revised OMB Circular A-21, Sections G.8a. and G.10, dated May 8, 1996.

Name

*Sham B. Ben*

Title

*Controller*

Date

*4/14/14*